

**ICA DG Report**  
**July 2006**  
**Co-operative communities - a strife free environment?**

Working for the ICA, reminds me on a daily basis of the uniqueness of our cause. I spend a lot of time telling people that co-operatives are businesses with social purpose.

This is designed to appeal to governments and international organisations that find it difficult to accept the concept where business transactions carried out in a non-hostile environment. At the same time I make the point that some of the most successful businesses in the world are co-operatives. The domination, particularly at present, of the liberal free market economy - makes our case even harder to sell but also presents us with a huge opportunity. The world is clearly tired of the antagonisms of big capitalist business and their bullying tendencies. They are also relating increasingly to the massive gap between rich and poor and consequently areas of conflict.

So let's not pretend that what we are saying is not controversial. We can offer serious solutions to poverty and the causes of poverty but we cannot do this without threatening the fundamental basis of global capitalism. Perhaps it is time we said this more clearly. We offer an alternative economic and social structure – and it is not one that can easily coexist with the economic systems responsible for causing most of the world's problems.

ICA rules clearly state this. Article 2 says: “to promote sustainable human development and to further the economic and social progress of people thereby contributing to international peace and security.” Easy to say, not so easy to put into practice!

In my address to the UK Co-operative Congress last year in my role as Congress President, I emphasised the role co-operatives can make to world peace. I said: “If you take some of the images I have just encountered in a visit to Sri Lanka and Indonesia and couple them with African poverty and the ravages of HIV/Aids, one begins to see the world in a rather different way. A divided world of haves and have notes; a world where the accumulation of material wealth knows no bounds while poverty knows no limit of despair. And a world where politicians, particularly in the West, refuse to take seriously the role that our movement could play in alleviating this dreadful situation.”

I also quoted Henry May, secretary-general of the ICA from 1917 to 1939, who made one of the best and simplest cases for co-operative internationalism in the ICA review of 1938: “The co-operative movement of the world should stand unflinchingly for the principles of toleration, equity and justice in all the relations of life; respect for the rights of others; the settlement of disputes by reason and the abolition of armed conflict; the honourable fulfilment of all contractual obligations and association of the security of all in the exercise of their legitimate functions.”

Indeed it was those sentiments, which were behind the founding of the ICA in London in 1895. In 1913 the ICA Congress in Glasgow passed a famous resolution on peace, which is still basically our policy today:

“That this Congress fully endorses the action recently taken by the Executive and Central

Committees of the International Co-operative Alliance in order to manifest that it is in the interests of the co-operators of all countries to do their best to uphold peace. The Congress emphasises once more that the maintenance of peace and goodwill among all nations constitutes an essential condition for the development of co-operation and the realisation of those ends, which are aimed at by this movement.

The Congress further desires to impress upon the public opinion of all nations the fact that the reasons for the continuance of armaments and the possibility of international conflicts will disappear as the social and economic life of every nation becomes organised according to co-operative principles, and that, therefore, the progress of co-operation forms one of the most valuable guarantees for the preservation of the world's peace. The Congress, therefore exhorts the people of every country to join our movement and strengthen their power."

"There are many such examples of how co-operatives contribute to peace locally, regionally and internationally."

Iain Macdonald

Co-operators at the time considered this a hugely important issue. William Maxwell during that famous and enthusiastic debate declared that international co-operation was the very antithesis of international strife. As Ivano Barberini said recently: "Competition is married to conflict, co-operation is married to peace".

Indeed there has been a resolution on peace at the last four ICA Congresses showing the commitment to this area. It has to be said however that resolutions themselves are not enough.



Iain Macdonald  
at the recent  
Canadian Peace  
conference

The ICA has survived two world wars and numerous other conflicts holding on to this policy. Indeed only recently we sent a message to the United Nations reaffirming support for their work especially in light of the Iraq war and the way in which the USA and Britain have ignored UN resolutions.

And of course, this year's International Day Of Co-operative's message is *Peace-building through co-operatives*. In this message we link the resolution of conflict and civil strife with the abolition of poverty whether caused deliberately by globalisation or by natural disasters such as the tsunami.

We draw attention to the current proposal linking the Palestinian and Israeli co-operative movements; the work ongoing in Bosnia and Serbia using housing co-operatives to rebuild

communities; we will hear more about what has happened in Ireland and how the co-operative movement has contributed - I have personal experience of that; we are hopeful of assisting further in Sri Lanka where at this moment civil war seems a bit closer but where the co-operative movement is one of the few organisations bridging the racial divide.

There are many such examples of how co-operatives contribute to peace locally, regionally and internationally. We are working with the ILO to put together a global project that will show how much our movement is doing. Indeed the ILO is contributing to this conference and will be showing how co-operative forms of organisation are uniquely suited to meet the challenge to livelihood support and economy recovery in post conflict environments. Our proposal for an African facility will hopefully serve to improve lives through co-operative enterprise in several African countries and thereby reduce poverty and conflict.

In every form of co-operative enterprise comes the ability to reduce conflict or strife. I've seen it myself in the transformation of 'sink' housing estates in Glasgow becoming models of community involvement and togetherness with the introduction of tenant management co-operatives. Similarly, credit unions have single-handedly destroyed the activities of loan sharks. Agricultural co-operatives have revitalised British farming after the disasters of foot and mouth and mad cow diseases. Fishing communities have survived the onslaught of bureaucracy and globalisation by banding together. In some countries health co-operatives are the only way in which people have access to health services and tourism co-operatives are successfully combating the abuse of young people. Many jobs have been saved by the development of worker co-operatives.

These are all the result of achieving a peaceful and secure environment. That's what co-operatives do. Conflict and co-operatives are exact opposites.

The 'co-ops and peace' theme continues in this month's report from the DG.

Iain Macdonald writes from Canada where he attended both the "Co-operatives and the pursuit of peace" conference and the World Peace Forum in Vancouver.